

benefit is currently subject to taxation. Families of patriots should not be penalized on a benefit meant to show the nation's gratitude for their sacrifice. We must restore the original intent of this benefit and not unduly burden families with an unexpected tax bill. The death benefit paid to the survivor of a military member has historically been exempt from taxation. An oversight in the tax code after the gratuity was increased to \$6,000 in 1991 left half of this payment subject to taxation. Only the passage of H.R. 3566/H.R. 3019 (Renzi/McGovern) will remedy this unfair taxation problem for our military families.

I commend my colleagues Representatives McGOVERN and RENZI for sponsoring this important measure, and I look forward to supporting this bill and supporting our troops.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I rise today in support of H.R. 3365, the Fallen Patriots Tax Relief Act. It is important that we get this bill enacted into law right away. It is unconscionable that a knock at the door by a military chaplain is followed by a knock on the door from the tax man. But sadly, this is the case.

I had the distinct honor of serving my country in the Air Force for about 29 years. So my family and I know something about military life. And my wife, Shirley, has said that one of her worst moments was when the military chaplain pulled up in front of the house after I was shot down in Vietnam, and her heart just stopped. She didn't know what they were going to say, but she knew it was not going to be good.

I can't imagine the unspeakable despair of a family who just lost a loved one in service of their country, only to be followed up by the horror of a visit from the taxman. That is just wrong. So this bill fixes that. Let us change this law today.

This bill permits the entire amount of the death benefit gratuity to be tax free. It also increases the amount of the death benefit to \$12,000, which is more in line with the value of these benefits when they were initially created. This is a clean bill. There is absolutely no good reason for it to get fouled up in the same legislative backwater that has stalled three previous versions of this bill.

You know, there a lot of good stories out there that don't get reported. For example, I've heard of a company of marines that left Iraq this summer without one casualty. That's great news. But, more common is the news we see on T.V. As President Bush says, "Iraq is still a dangerous place."

Sadly, nearly every day we hear of deaths in Iraq and other military hot spots around the globe. In the two years since 9/11 it has been increasingly important that we eliminate the unfair, immoral tax on the death benefit a service member's loved ones receive from the Armed Forces. In fact, this bill reaches back to that terrible day and also applies to families who will be receiving a visit from a chaplain in the future. I find it shameful that we continue to tax one-half of the death benefits paid to families.

This must change before the end of the year. It is the least we can do. These families have given the ultimate sacrifice for our country. We must not take any more from them.

Ms. SOLIS. Mr. Speaker, I rise in strong support of H.R. 3365, the Fallen Patriots Tax Relief Act.

The Fallen Patriots Tax Relief Act is a positive step in honoring the men and women of

the Armed Services, who have made the ultimate sacrifice and given their lives while serving our country.

Unfortunately, the current death gratuity paid to the survivors of a military member is not adequate to cover funeral expenses, leaving them with the extra burden of covering these unexpected costs. The vast majority of the men and women in uniform come from hard working low-income backgrounds, whose families should not be expected to cover these costs.

On October 13, 2003, Private Jose Casanova, Jr. became the second constituent of mine to lose his life in Iraq.

The financial assistance provided to the Casanova family for burial expenses was not sufficient. The family still had to pay money from their own funds despite having the funeral home and the local police department waive numerous fees and provide some services for free.

This situation is not acceptable. Military families, like the Casanova family, deserve to be relieved of unnecessary financial costs associated with their fallen family members' deaths. This is the least we can do as a country.

In honor and in memory of our fallen patriots, I strongly urge my colleagues to support this bill.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentleman from Texas (Mr. SAM JOHNSON) that the House suspend the rules and pass the bill, H.R. 3365.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SAM JOHNSON of Texas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### GENERAL LEAVE

Mr. SAM JOHNSON of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3365.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### ENCOURAGING PEOPLE'S REPUBLIC OF CHINA TO FULFILL COMMITMENTS UNDER INTERNATIONAL TRADE AGREEMENTS, SUPPORT UNITED STATES MANUFACTURING SECTOR, AND ESTABLISH MONETARY AND FINANCIAL MARKET REFORMS

Mr. ENGLISH. Mr. Speaker, I move to suspend the rules and agree to the

resolution (H. Res. 414) to encourage the People's Republic of China to fulfill its commitments under international trade agreements, support the United States manufacturing sector, and establish monetary and financial market reforms.

The Clerk read as follows:

#### H. RES. 414

Whereas United States investors and exporters to the People's Republic of China recognize the opportunity of doing business with China but have raised serious concerns that many of the commitments China made upon joining the World Trade Organization have not yet been implemented or implementation has been inadequate;

Whereas market barriers and unfair trade practices continue to exist, including high tariffs, subsidies, technical trade restrictions, counterfeiting, tied trade, violations of intellectual property rights, and non-market-based industrial policies that limit United States exports;

Whereas increases in global trade will lead to faster growth of the United States economy and an improved quality of life for workers in the People's Republic of China;

Whereas China is one of the fastest-growing economies in the world and an important expanding market for United States exports;

Whereas China has made progress in implementing the commitments that it made upon joining the World Trade Organization, including the required reduction of its tariffs on many industrial goods of importance to United States manufacturers;

Whereas China must move more quickly to implement its World Trade Organization commitments fully and to remove many market access barriers;

Whereas the currency of the People's Republic of China, the renminbi, has been fixed relative to the United States dollar since 1994;

Whereas a systemically misvalued currency by any large country can have damaging trade-distorting effects on both that country and its trading partners by decreasing the price of exports of products of that country and increasing the price of imports to that country;

Whereas China's trade liberalization will cause economic imbalances in its market and world markets unless China also implements capital account liberalization;

Whereas the market-based valuation of currencies is a key component to resilient global trading systems by enabling smoother transitions to reflect underlying economic fundamentals in a country;

Whereas China's substantial foreign reserves reduce China's susceptibility to currency crises and, therefore, the need for continued use of a fixed currency;

Whereas the International Monetary Fund (IMF) has advised China to adopt a more flexible exchange rate policy, and has indicated that such a change would not have serious adverse consequences for that country, although IMF officials have expressed concern about the weakness of China's banking system and that it may not have the ability to move quickly towards a floating rate;

Whereas the Joint Ministerial Statement in September 2003 of the Asia-Pacific Economic Cooperation Finance Ministerial Meeting "emphasized the importance of accelerating structural reform, adopting macroeconomic policies that promote sustainable growth, supported by appropriate exchange rate policies that facilitate orderly and balanced external adjustment . . . [and] noted a view expressed at the meeting that more flexible exchange rate management, in some cases, would promote this objective";